

ADMINISTRATIVE REPORT

TO: Board of Directors

FROM: J. Zaffino, Chief Administrative Officer

DATE: September 5, 2024

RE: **Memorandum of Understanding with BC Transit on Future Transit Service Expansion 2026/2027**

Administrative Recommendation:

THAT the Board supports the signing of a Memorandum of Understanding with BC Transit for future transit service expansion.

Purpose:

To present a proposed expansion of service by BC Transit, in alignment with the most recent transit service plan, with specific reference to expanding service of Route 70 and a proposed additional service in Oliver and Osoyoos. To allow budget planning by BC Transit, this MOU is to demonstrate a commitment by the RDOS to assist in procuring service funding and resources. Noting this MOU, if signed will only come into place if BC Transit are able to secure Provincial funding for vehicles.

Reference:

Attached copy of Memorandum of Understanding from BC Transit.

Business Plan Objective: *(Tie to current RDOS Business Plan)*

2.2 To meet public needs through the continuous improvement of key services.

Background:

These initiatives are derived from recommendations outlined in the most recent transit service plan received by the Board and validated in collaboration with RDOS staff.

The proposed expansion of service is broken into two service areas:

1. Introduction of Saturday service and expanded evening service for Route 70 from Penticton to Kelowna, to commence in January 2026;
2. Creation of local services within Osoyoos and Oliver to connect to existing Route 40 service, to commence in September 2027.

Analysis:

Current service for the proposed expansion areas is described below:

1. Route 70 currently operates service Monday to Friday with four return trips between Penticton and downtown Kelowna, connecting passengers from other regional routes (10,

20, 40 and 50) to access services and inter regional transport in the Central Okanagan. This service is accommodate with a **3,181 hour** service allocation by the Transit Operator.

2. Currently Osoyoos is serviced by Route 41 with a twice daily internal service, which operates as a feeder service to Route 40. Route 40 connects Osoyoos, Oliver, Okangan Falls and Kaleden to Penticton with a twice daily service. Oliver is serviced by two transit stops, at Oliver Hospital and the corner of Co-op/Kootenay. There is currently no dedicated service for Oliver. The current service is provided by under the Osoyoos Para Transit Service, with a **2,448** hour service allocation by the Transit Operator.

The proposed service expansions for each service area is detailed below:

1. An increase of service hours by **2,000** across the year to allow Saturday and evening services to be implemented. This increase is a 62% increase in service hours with 1 additional transit bus.
2. This proposed service will develop dedicated transit services for Osoyoos and Oliver to service these communities and connect key locations within their locality. Total service hours for this expansion will be **3,000** hours and include 3 transit buses. This increase is a 122.55% increase in service hours on the Osoyoos Para Transit service.

Financial Implications:

The financial implications for the RDOS Regional Transit Budget are as follows:

1. The proposed expansion of Route 70 will see an estimated additional annual net municipal share fee of **\$165,552** for the 2026 Budget Year, with ongoing costs for future Budget years. The current service net municipal share fee from BC Transit for Regional Transit is \$275,586;
2. The proposed expansion for Oliver/Osoyoos for the 2027 budget year would require a review of the existing Osoyoos Para Transit service and the associated Bylaw (2741, 2016) to ensure these are fit for purpose. The estimated additional annual net municipal share will be **\$238,387**, with ongoing costs for future Budget years. This Transit Service would serve Electoral Areas A and C, along with the Town of Osoyoos and Town of Oliver.

Alternatives:

The Board does not support the signing of the Memorandum of Understanding and service remains at the existing level.

Communication Strategy: *(Outline the communications efforts being undertaken to ensure this initiative is communicated appropriately.)*

N/A

Respectfully submitted:

Matthew Weller

M. Weller, Sustainability Manager

Endorsed by:

J. Zaffino, Chief Administrative Officer